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Special Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., *et al.*,

Debtors.¹

Chapter 11

Case No. 19-23649 (RDD)

(Jointly Administered)

**SUMMARY SHEET FOR FIRST QUARTERLY FEE STATEMENT OF KING &
SPALDING LLP FOR COMPENSATION FOR SERVICES RENDERED AND
REIMBURSEMENT OF EXPENSES INCURRED AS SPECIAL COUNSEL TO THE
DEBTORS AND DEBTORS IN POSSESSION FOR THE PERIOD FROM
SEPTEMBER 16, 2019 THROUGH JANUARY 31, 2020**

Name of Applicant	King & Spalding LLP
Applicant's Role in Case	Special Counsel to Purdue Pharma L.P., <i>et al.</i>
Date Order of Employment Signed	November 25, 2019 [D.I. 543]
Period for Which Compensation and Reimbursement is Sought	September 16, 2019 through January 31, 2020

¹ The Debtors in these cases, along with the last four digits of each Debtor's registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014). The Debtors' corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

Summary of Total Fees and Expenses Requested²	
Total Compensation Sought for the Fee Period	\$5,408,371.90
Total Expense Reimbursement Sought for the Fee Period	\$3,845.40
Total Fees and Expenses Sought for the Fee Period	\$5,412,217.30
Total Allowed Fees Paid to Date	N/A
Total Allowed Expenses Paid to Date	N/A
Total Allowed Fees and Expenses Paid to Date	N/A
Fees Sought for the Fee Period Already Paid Pursuant to Monthly Fee Statements But Not Yet Allowed	\$3,415,202.72 ³
Expenses Sought for the Fee Period Already Paid Pursuant to Monthly Fee Statements But Not Yet Allowed	\$1,361.85
Total Fees and Expenses Sought for the Fee Period Already Paid Pursuant to Monthly Fee Statements But Not Yet Allowed	\$3,416,564.57
Total Fees Sought for this Fee Period Not Yet Paid	\$1,993,169.18
Total Expenses Sought for this Fee Period Not Yet Paid	\$2,483.55 ⁴
Total Fees and Expenses Sought for this Fee Period Not Yet Paid	\$1,995,652.73
This is a(n): <input type="checkbox"/> Monthly Application <input checked="" type="checkbox"/> Interim Application <input type="checkbox"/> Final Application	

² K&S filed and served its January Monthly Fee Statement on March 4, 2020. The objection deadline for the January Monthly Fee Statement is March 18, 2020. Assuming no objections are filed with respect to the January Monthly Fee Statement, the Debtors will pay 80% of the fees and 100% of the expenses requested in the January Monthly Fee Statement.

³ Assuming no objections are filed to K&S' January Monthly Fee Statement, the Debtors will pay K&S \$909,011.26 in fees (*i.e.*, 80% of the amount of fees requested in the January Monthly Fee Statement), leaving a balance of fees unpaid of \$1,081,674.38.

⁴ Assuming no objections are filed to K&S' January Monthly Fee Statement, the Debtors will pay K&S \$2,483.55 in expenses (*i.e.*, 100% of the amount of expenses requested in the January Monthly Fee Statement).

Summary of Prior Monthly Fee Statements					
Date Filed & D.I	Fee period	Total Fees and Expenses Incurred for Fee Period		Total Amount Previously Requested in Prior Monthly Fee Statement	
		Fees	Expenses	Fees (at 80%)	Expenses (at 100%)
12/11/2019 [D.I. 640]	September 16, 2019 through September 30, 2019	\$581,627.76	\$55.83	\$465,302.21	\$55.83
12/11/2019 [D.I. 641]	October 1, 2019 through October 31, 2019	\$583,496.35	\$0	\$466,797.08	\$0
12/11/2019 [D.I. 642]	November 1, 2019 through November 30, 2019	\$1,491,106.40	\$1,306.02	\$1,192,885.12	\$1,306.02
1/24/2020 [D.I. 779]	December 1, 2019 through December 31, 2019	\$1,615,877.32	\$0	\$1,292,701.86	\$0
3/4/2020 [D.I. 896]	January 11, 2020 through January 31, 2020	\$1,136,264.07	\$2,483.55	\$909,011.27	\$2,483.55
Total for First Quarterly Fee Statement		\$5,408,371.90	\$3,845.40	\$4,326,697.53	\$3,845.40

Summary of Any Objections to Monthly Fee Statements: None.

Fees and Expenses Sought in this Fee Statement Not Yet Paid: \$1,995,652.73.

Compensation by Professional for Fee Period⁵				
Name of Professional Individual	Position, Year Assumed Position, Prior Relevant Experience, years of Obtaining Relevant License to Practice	Hourly Billing Rate	Total Hours Billed	Total Compensation
Partners				
Sarah R. Borders	Partner; joined K&S 1989; admitted to Georgia 1989	\$1,135	2.4	\$2,451.60
Mark Brown	Partner; joined K&S 1994; admitted to Pennsylvania 1985	\$1,045	1.2	\$1,356.00
Jeffrey S. Bucholtz	Partner; joined K&S 2009; admitted to Washington, D.C. 1996	\$1,045	273.1	\$290,494.50
Rose Jones	Partner; joined K&S 2003; admitted to Georgia 2002	\$425	487.0	\$206,975.00
Seth Lundy	Partner; joined K&S 2008; admitted to Maryland 1996	\$1,040	1.0	\$1,040.00
Paul Mezzina	Partner; joined K&S 2009; admitted to Washington, D.C. 2011; California 2009	\$930	2.9	\$2,697.00
Counsel				
Jeremy Bylund	Counsel; joined K&S 2018; admitted to Virginia 2011	\$800	22.0	\$17,600.00
Scott Davidson	Counsel; joined K&S 2009; admitted to New York 1996	\$1,130	50.0	\$57,715.50
Associates				
Lindsey Henrikson	Associate; joined K&S 2019; admitted to Illinois 2015	\$750	12.8	\$9,600.00
Matt Higgins	Associate; joined K&S 2019; admitted to Georgia 2019	\$450	8.5	\$3,825.00
Jake Jumbeck	Associate; joined K&S 2019; admitted to Illinois 2017	\$620	18.0	\$11,160.00
Christian Sae	Associate; joined K&S 2018; admitted to New York 2018	\$695	23.3	\$16,193.50
Leia Shermohammed	Associate; joined K&S 2017; admitted to Georgia 2015	\$585	140.0	\$81,900.00
Discovery Counsel				
Nicole Bass	Discovery counsel; joined K&S 2010; admitted to Georgia 2010	\$325	660.1	\$214,532.50
Katherine Webb	Discovery counsel; joined K&S 2014; admitted to Georgia 2014	\$280	1.2	\$336.00

⁵ The hourly billing rate and total compensation listed for each timekeeper do not reflect additional discounts, as applicable, agreed to with the Debtors.

Name of Professional Individual	Position, Year Assumed Position, Prior Relevant Experience, years of Obtaining Relevant License to Practice	Hourly Billing Rate	Total Hours Billed	Total Compensation
Privilege Review Attorneys				
Luke Bosso	Privilege review attorney; joined K&S 2019; admitted to Georgia 2019	\$215	87.3	\$18,769.50
Tabitha Crosier	Privilege review attorney; joined K&S 2019; admitted to New Jersey 2010	\$215	165.8	\$35,647.00
Kaileigh Fagan	Privilege review attorney; joined K&S 2019; admitted to Georgia 2019	\$215	234.9	\$50,503.50
Lucy Gauthier	Privilege review attorney; joined K&S 2019; admitted to Georgia 2019	\$215	209.0	\$45,128.50
Carli Gish	Privilege review attorney; joined K&S 2019; admitted to Georgia 2019	\$215	133.3	\$28,659.50
Adrian Karas	Privilege review attorney; joined K&S 2019; admission pending	\$215	150.5	\$32,357.50
Andrew Langen	Privilege review attorney; joined K&S 2019; admitted to New York 2019	\$215	193.3	\$41,559.50
Rami Mosrie	Privilege review attorney; joined K&S 2019; admitted to New York 2019	\$215	341.3	\$73,379.50
Tres Ricks	Privilege review attorney; joined K&S 2018; admitted to North Carolina 2018	\$215	142.1	\$30,551.50
Jennifer Roberts	Privilege review attorney; joined K&S 2019; admitted to New York 2009	\$215	99.5	\$21,392.50
Kathryn Running	Privilege review attorney; joined K&S 2019; admitted to Illinois 2018	\$215	121.7	\$26,165.50
Susie Sacks	Privilege review attorney; joined K&S 2008; admitted to Georgia 2002	\$215	256.2	\$55,083
Meryl See	Privilege review attorney; joined K&S 2019; admitted to Georgia 2019	\$215	99.3	\$21,349.50
Kathryn Wilson	Privilege review attorney; joined K&S 2018; admitted to North Carolina 2014	\$215	409.3	\$87,999.50
Matthew Anderson	Privilege review attorney; joined K&S 2019; admission pending	\$215	171.8	\$36,937.00

Name of Professional Individual	Position, Year Assumed Position, Prior Relevant Experience, years of Obtaining Relevant License to Practice	Hourly Billing Rate	Total Hours Billed	Total Compensation
Ahsin Azim	Privilege review attorney; joined K&S 2019; admission pending	\$215	122.1	\$26,251.50
Mike Dohmann	Privilege review attorney; joined K&S 2019; admission pending	\$215	166.4	\$35,776.00
Penelope Hamilton	Privilege review attorney; joined K&S 2019; admission pending	\$215	189.6	\$40,764.00
Ryan Lichtenfels	Privilege review attorney; joined K&S 2019; admission pending	\$215	152.4	\$32,766.00
Connor O'Flaherty	Privilege review attorney; joined K&S 2019; admission pending	\$215	138.1	\$29,691.50
Becka Paradis	Privilege review attorney; joined K&S 2019; admission pending	\$215	135.3	\$29,089.50
Ruoxi Zhang	Privilege review attorney; joined K&S 2019; admission pending	\$215	189.2	\$39,753.50
Melissa Dempsey	Privilege review attorney; joined K&S 1998; admitted New York 1996	\$215	246.2	\$52,933.00
Michael Douglas	Privilege review attorney; joined K&S 2003; admitted to Georgia 1999	\$215	706.8	\$151,962.00
Frankie Evans	Privilege review attorney; joined K&S 2000; admitted to Georgia 1999	\$215	371.8	\$79,937.00
Antoine Grady	Privilege review attorney; joined K&S 2018; admitted to Washington, D.C. 2018	\$215	495.7	\$106,575.50
Gary Greco	Privilege review attorney; joined K&S 2000; admitted to Maryland 1995	\$215	325.0	\$69,875.00
Jay Haider	Privilege review attorney; joined K&S 2012; admitted to Georgia 2012	\$215	462.1	\$99,351.50
Kelly Henning	Privilege review attorney; joined K&S 2014; admitted to Georgia 2014	\$215	142.6	\$30,659.00
Remy Jones	Privilege review attorney; joined K&S 2018; admitted to Georgia 2015	\$215	359.0	\$77,185.00

Name of Professional Individual	Position, Year Assumed Position, Prior Relevant Experience, years of Obtaining Relevant License to Practice	Hourly Billing Rate	Total Hours Billed	Total Compensation
Priya Kolli	Privilege review attorney; joined K&S 2014; admitted to Georgia 2014	\$215	478.0	\$102,770.00
Lori Maryscuk	Privilege review attorney; joined K&S 2000; admitted to Georgia 1997	\$215	690.8	\$148,522.00
Duncan Maysilles	Privilege review attorney; joined K&S 2006; admitted to Georgia 1992	\$215	162.2	\$ 34,873.00
Scott McClure	Privilege review attorney; joined K&S 1998; admitted to New Mexico 1994	\$215	189.2	\$40,678.00
Liz McGovern	Privilege review attorney; joined K&S 2014; admitted to Georgia 2014	\$215	425.9	\$91,568.50
Jennifer Mencken	Privilege review attorney; joined K&S 2002; admitted to Georgia 1998	\$215	30.1	\$6,471.00
Shane Orange	Privilege review attorney; joined K&S 2014; admitted to Georgia 2013	\$215	587.8	\$126,377.00
Chong Pak	Privilege review attorney; joined K&S 2015; admitted to Georgia 2012	\$215	497.7	\$107,005.50
Alex Panos	Privilege review attorney; joined K&S 2002; admitted to Georgia 1997	\$215	488.2	\$104,963.00
Reilly Schreck	Privilege review attorney; joined K&S 2012; admitted to Georgia 2012	\$215	643.7	\$138,395.50
Eric Smedley	Privilege review attorney; joined K&S 2000; admitted to Georgia 1999	\$215	714.2	\$153,553.00
Lisa Smith	Privilege review attorney; joined K&S 1994; admitted to Georgia 1997	\$215	72.4	\$15,566.00
Sarah Tona	Privilege review attorney; joined K&S 2017; admitted to Georgia 2018	\$215	116.6	\$25,069.00
David Vandiver	Privilege review attorney; joined K&S 1999; admitted to Georgia 1990	\$215	825.8	\$177,547.00
Adam Wall	Privilege review attorney; joined K&S 2011; admitted to Georgia 2011	\$215	118.7	\$25,520.50

Name of Professional Individual	Position, Year Assumed Position, Prior Relevant Experience, years of Obtaining Relevant License to Practice	Hourly Billing Rate	Total Hours Billed	Total Compensation
Amanda Wheeler	Privilege review attorney; joined K&S 2008; admitted to Washington, D.C. 2002	\$215	345.1	\$74,196.50
Treaves Williams	Privilege review attorney; joined K&S 2003; admitted to Georgia 1999	\$215	700.1	\$150,521.50
Shannon Ziliak	Privilege review attorney; joined K&S 2006; admitted to Georgia 2005	\$215	144.7	\$31,110.50
Nikki Bradley	Privilege review attorney; joined K&S 2018; admitted to Georgia 2018	\$215	90.2	\$19,393.00
Kyle Brahe	Privilege review attorney; joined K&S 2017; admitted to Georgia 2010	\$215	826.4	\$177,676.00
Christina Broadway	Privilege review attorney; joined K&S 2016; admitted to Georgia 2016	\$215	54.6	\$11,739.00
Enver Can	Privilege review attorney; joined K&S 2018; admitted to New York 2010, Washington, D.C. 2018	\$215	385.9	\$82,968.50
Jeffrey Domoziak	Privilege review attorney; joined K&S 2018; admitted to Georgia 2018	\$215	745.7	\$160,325.50
Matthew Dyer	Privilege review attorney; joined K&S 2018; admitted to Georgia 2002	\$215	371.8	\$79,937.00
Austin Gibson	Privilege review attorney; joined K&S 2017; admitted to Georgia 2016	\$215	83.5	\$17,952.50
Judith Grant	Privilege review attorney; joined K&S 2018; admitted to Georgia 2017	\$215	41.7	\$8,965.50
Chris Harris	Privilege review attorney; joined K&S 2007; admitted to Georgia 2006	\$215	534.5	\$114,917.5
Michael Hervey	Privilege review attorney; joined K&S 2015; admitted to Georgia 2016	\$215	74.5	\$16,017.50
Kimberlee Hillard	Privilege review attorney; joined K&S 2018; admitted to Georgia 2010	\$215	674.8	\$145,082.00
Avani Patel	Privilege review attorney; joined K&S 2017; admitted to Georgia 2016	\$215	46.0	\$9,890.00

Name of Professional Individual	Position, Year Assumed Position, Prior Relevant Experience, years of Obtaining Relevant License to Practice	Hourly Billing Rate	Total Hours Billed	Total Compensation
Sonali Patel	Privilege review attorney; joined K&S 2018; admitted to Florida 2009	\$215	47.9	\$10,298.50
Elizabeth Rankin	Privilege review attorney; joined K&S 2019; admitted to Georgia 1993	\$215	663.7	\$142,695.50
Justin Saxon	Privilege review attorney; joined K&S 2006; admitted to Georgia 2005	\$215	744.0	\$159,960.00
Nathaniel Sherman	Privilege review attorney; joined K&S 2015; admitted to Georgia 2014	\$215	670.0	\$144,050.00
Joseph Sherman	Privilege review attorney; joined K&S 2018; admitted to Georgia 2017	\$215	666.6	\$143,319.00
Brent Tucker	Privilege review attorney; joined K&S 2014; admitted to Georgia 2013	\$215	140.2	\$30,143.00
Hao Wang	Privilege review attorney; joined K&S 2016; admitted to Georgia 2017	\$215	598.8	\$128,742.00
Spenser West	Privilege review attorney; joined K&S 2018; admitted to Georgia 2017	\$215	481.0	\$103,415.00
Jenna Zalis	Privilege review attorney; joined K&S 2018; admitted to Georgia 2019	\$215	68.0	\$14,620.00
Paraprofessionals				
Dan Handley	Senior Paralegal; joined K&S 2003	\$215	152.0	\$32,680

Total Fees for Compensation Period			
	Blended Rate	Total Hours Billed	Total Compensation⁶
Partners	\$657.91	767.6	\$505,014.10
Counsel	\$1,046.05	72.0	\$75,315.50
Associates	\$605.52	202.6	\$122,678.50
Discovery Counsel	\$324.92	661.3	\$214,868.50
Privilege Review Attorneys	\$215.00	22,495.7	\$4,836,575.50
Paraprofessionals	\$215.00	152	\$32,680.00
Blended Attorney Rate		\$222.23 ⁷	
Blended Rate for All Timekeepers		\$222.10 ⁸	
Total Fees Incurred		\$5,408,371.90	

⁶ The total compensation listed in each category does not reflect additional discounts, as applicable, agreed to with the Debtors.

⁷ This blended hourly rate takes into account reflect additional discounts, as applicable, agreed to with the Debtors.

⁸ This blended hourly rate takes into account reflect additional discounts, as applicable, agreed to with the Debtors.

Compensation by Project Category for Fee Period		
Project Category	Total Hours Billed	Total Compensation
Analysis/Strategy	722.6	\$424,332.46
Document/File Management	450.3	\$135,371.78
Document Production (Defense)	22,650.8	\$4,617,721.40
Other Case Assessment	7.6	\$1,511.45
Other Discovery (Defense)	123.4	\$24,541.19
Pleadings	1.4	\$1,008.00
Retention and Fee Applications	271.6	\$179,324.55
Fact Investigation/Development	121.8	\$24,222.99
Written Discovery (Defense)	1.7	\$338.09

Expense Summary for Fee Period	
Expense Summary	Amount
Cabfare	\$302.26
Airfare	\$443.00
Transportation Costs	\$1,052.50
Hotel	\$2,003.13
Meals	\$44.51
Total	\$3,845.40

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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., et al.,

Debtors.⁹

Chapter 11

Case No. 19-23649 (RDD)

(Jointly Administered)

**FIRST QUARTERLY FEE STATEMENT OF KING & SPALDING LLP FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES INCURRED AS SPECIAL COUNSEL TO THE
DEBTORS AND DEBTORS IN POSSESSION FOR THE PERIOD FROM
SEPTEMBER 16, 2019 THROUGH JANUARY 31, 2020**

Pursuant to sections 327, 330, and 331 of chapter 11 of title 11 of the United States Code (the “**Bankruptcy Code**”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “**Bankruptcy Rules**”), Rule 2016-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the “**Local Rules**”), the *Order Authorizing the Retention and Employment of King & Spalding LLP as Special Counsel for the Debtors Nunc Pro Tunc to the Petition Date*, dated November 25, 2019 [D.I. 543] (the

⁹ The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

“**Retention Order**”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals*, dated November 21, 2019 [D.I. 529] (the “**Interim Compensation Order**”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases Pursuant to General Order M-447 (Jan. 29, 2013) (the “**Local Guidelines**”), and the U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013 (the “**UST Guidelines**,” and together with the Interim Compensation Order and the Local Guidelines, the “**Fee Guidelines**”). King & Spalding LLP (“**K&S**”), special counsel to the above-captioned debtors and debtors in possession (collectively, the “**Debtors**”), submits this *First Quarterly Statement of Services Rendered and Expenses Incurred for the Period from September 16, 2019 Through January 31, 2020* (this “**Fee Statement**”).¹⁰ By this Fee Statement, and after taking into account certain voluntary discounts and reductions,¹¹ K&S seeks Court approval for (i) compensation for professional services performed during the Fee Period in the amount of \$5,408,371.90 and (ii) reimbursement of actual, necessary expenses incurred in connection with the rendition of such services in the amount of \$3,845.40.

BACKGROUND

1. On September 16, 2019 (the “**Petition Date**”), the Debtors each commenced with this Court a voluntary case under chapter 11 of the Bankruptcy Code. On September 27, 2019, the United States Trustee for the Southern District of New York (the “**U.S. Trustee**”) appointed the creditors’ committee pursuant to section 1102 of the Bankruptcy Code [D.I. 131]. No request

¹⁰ The period from September 16, 2019 through and including January 31, 2020 is referred to herein as the “**Fee Period**.”

¹¹ K&S agreed as a courtesy to the Debtors to bill at approximately 90% of its market hourly rates in effect when the services are rendered. Additionally, K&S agreed to offer additional discounts, including on a sliding scale on fees exceeding certain amounts.

has been made for the appointment of a trustee or examiner in the above-captioned chapter 11 cases.

2. The Debtors' chapter 11 cases are being jointly administered for procedural purposes only pursuant to Rule 1015(b) and the *Order Directing Joint Administration of Chapter 11 Cases* [D.I. 59] entered by the Court in each of the chapter 11 cases.

3. Additional information about the Debtors' businesses and the events leading up to the Petition Date can be found in the *Debtors' Informational Brief* [D.I. 17].

RETENTION OF K&S

4. On November 5, 2019, the Debtors applied to the Court for an order approving the retention of K&S as special counsel to the Debtors (the "**Retention Application**") [D.I. 427].

5. On November 25, 2019, the Court entered the Retention Order authorizing the Debtors to retain K&S as special counsel under the terms set forth in the Retention Application.

6. The Retention Order authorized the Debtors to compensate and reimburse K&S in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and any other applicable procedures and orders of the Court. Specifically, the Retention Order authorized the Debtors to retain and employ K&S in accordance with the rates set forth in the Retention Application, to compensate K&S for services rendered, and to reimburse K&S for its reasonable and necessary expenses incurred, subject to application to this Court.

7. To date, the Debtors have paid or shortly will be paying K&S a total of \$4,330,542.93.¹²

¹² K&S filed and served its January Monthly Fee Statement on March 4, 2020. The objection deadline for the January Monthly Fee Statement is March 18, 2020. Assuming no objections are filed with respect to the January Monthly Fee Statement, the Debtors will pay 80% of the fees and 100% of the expenses requested in the January Monthly Fee Statement.

**SUMMARY OF PROFESSIONAL COMPENSATION AND REIMBURSEMENT OF
EXPENSES REQUESTED**

8. In this Fee Statement, K&S seeks allowance of compensation for professional services performed during the Fee Period in the amount of \$5,408,371.90 and of expenses incurred in connection with the rendition of such services in the amount of \$3,845.40. During the Fee Period, K&S professionals expended a total of 24,347.2 hours in connection with the necessary services performed.

9. The fees charged by K&S in these chapter 11 cases are billed in accordance with K&S's existing billing rates and procedures in effect during the Fee Period (as discounted pursuant to the arrangement with the Debtors described in the Retention Application). As disclosed in the Retention Application, K&S agreed as a courtesy to the Debtors to bill at 90% of its market hourly rates in effect when services are rendered. Additionally, K&S agreed to offer additional discounts to the Debtors, including on a sliding scale on fees exceeding certain amounts. Such fees are reasonable based on the customary compensation charged by comparably skilled practitioners performing services similar to those performed by K&S in these cases in a competitive national legal market.

10. **Exhibit B** attached hereto sets forth a summary and comparison of the aggregate blended hourly rates billed by K&S's timekeepers during the preceding twelve-month year and the blended hourly rates billed to the Debtors during the Fee Period.

11. K&S's charges for its professional services based upon the time, nature, extent and value of such services and the cost of comparable services in a case other than under the Bankruptcy Code.

PROFESSIONAL SERVICES RENDERED DURING THE FEE PERIOD

12. In accordance with the UST Guidelines, all K&S professionals kept a contemporaneous record of time spent rendering services and separated tasks in billing increments of one-tenth (0.10) of an hour. The following is a summary of the significant professional services rendered by K&S during the Fee Period.

i. DOJ Opioid Marketing Investigations

Total Fees: \$261,570.15

Total Hours: 283.6

During the Fee Period, K&S has devoted substantial effort to assisting the Debtors in connection with investigations by the U.S. Department of Justice and investigations and claims by other entities in an effort to reach a global resolution. K&S's work in this regard has included extensive communications with multiple components of DOJ and other federal agencies as well as legal and factual analysis relating to a potential global resolution.

ii. Discovery Relating to Subpoena Requests

Total Fees: \$4,967,477.20

Total Hours: 23,796.0

During the Fee Period, K&S rendered substantial legal services to Debtors in connection with responses to discovery demands related to investigations by the U.S. Department of Justice and investigations and claims by other entities. K&S was responsible for managing privilege review teams across all active workflows and ensuring timely and proper productions. The discovery team coordinated with in-house legal department, outside co-counsel, and vendors TCDI and Cobra Legal Solutions to optimize document review workflows, advise and counsel on discovery strategy, conduct privilege review of pre-production sets and prepare final production sets.

iii. Retention and Fee Applications

Total Fees: \$179,324.55

Total Hours: 271.6

During the Fee Period, K&S prepared, reviewed and revised the Retention Application as well as the declaration in support of the Application. K&S also corresponded with the Debtors' bankruptcy counsel regarding the Application. K&S instructed its timekeepers regarding disclosures required pursuant to the Bankruptcy Code, Bankruptcy Rules, Local Rules, and UST Guidelines. Finally, K&S reviewed and revised invoices and prepared K&S's monthly fee statements pursuant to the Bankruptcy Code, Local Rules, and UST Guidelines.

REASONABLE AND NECESSARY SERVICES

13. The foregoing professional services performed by K&S were necessary and appropriate. The professional services performed by K&S were in the best interests of the Debtors and their stakeholders. Compensation for such services is commensurate with the complexity, importance, and nature of the issues and tasks that are involved in matters related to the opioid investigations. The professional services were performed skillfully and efficiently.

14. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by K&S is fair and reasonable given (a) the need for the preservation and maximization of value for all participants in these cases; (b) the complexity of the Debtors' matters related to opioid investigations; (c) the time and labor required to represent the Debtors effectively; (d) the nature and extent of services rendered; (e) K&S's experience, reputation and ability; (f) the value of K&S's services; and (g) the cost of comparable services other than in a case under the Bankruptcy Code.

15. K&S has reviewed the requirements of the UST Guidelines and believes that this Fee Statement complies in all material respects with those requirements. To the extent this Fee

Statement does not comply in every respect with the requirements of such guidelines, K&S respectfully requests a waiver for any such technical non-compliance.

ACTUAL AND NECESSARY EXPENSES

16. A schedule specifying the categories of expenses for which K&S is seeking reimbursement and the total amount for each such expense category is set forth on the attached summary sheet.

17. K&S has incurred \$3,845.40 in expenses in connection with providing legal services to the Debtors during the Fee Period. These expenses are reasonable and necessary and were essential to, among other things, providing advice on matters relating to opioid claims and investigations

NOTICE

18. Notice of this Fee Statement will be provided to: (a) the entities on the Master Service List (as defined in the Case Management Order and available on the Debtors' case website at <https://restructuring.primeclerk.com/purduepharma>) and (b) any party that has requested notice pursuant to Bankruptcy Rule 2002 (collectively, the "Notice Parties").

NO PRIOR REQUEST

19. No prior request for the relief sought in the motion has been made to this or any other court.

CONCLUSION

For the foregoing reasons, K&S respectfully requests that the Court (i) award interim allowance of K&S's compensation for professional services rendered during the Fee Period in the amount of \$5,412,217.30, consisting of \$5,408,371.90 in fees and \$3,845.40 in actual and necessary expenses, in all instances as incurred during the Fee Period, (ii) direct payment of the

difference between the amounts allowed and any amounts previous paid pursuant to the Interim Compensation Order, and (iii) grant such other and further relief as is just and proper.

Dated: March 16, 2020
New York, New York

/s/ Scott Davidson
Scott Davidson
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New York, New York 10036
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EXHIBIT A

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Scott Davidson

Special Counsel to the Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

PURDUE PHARMA L.P., et al.,

Debtors.¹³

Chapter 11

Case No. 19-23649 (RDD)

(Jointly Administered)

CERTIFICATION OF SCOTT DAVIDSON

I, Scott Davidson, hereby certify as follows:

1. I am counsel with the law firm of King & Spalding LLP (“**K&S**”), which maintains offices at, among other places, 1185 Avenue of the Americas, New York, New York 10036-2601. I am a member in good standing of the Bar of the State of New York, and I have been admitted to practice in the United States District Court for the Southern District of New York. There are no disciplinary proceedings pending against me. K&S serves as special counsel for Purdue Pharma L.P. and its debtor affiliates, as debtors and debtors in possession

¹³ The Debtors in these cases, along with the last four digits of each Debtor’s registration number in the applicable jurisdiction, are as follows: Purdue Pharma L.P. (7484), Purdue Pharma Inc. (7486), Purdue Transdermal Technologies L.P. (1868), Purdue Pharma Manufacturing L.P. (3821), Purdue Pharmaceuticals L.P. (0034), Imbrium Therapeutics L.P. (8810), Adlon Therapeutics L.P. (6745), Greenfield BioVentures L.P. (6150), Seven Seas Hill Corp. (4591), Ophir Green Corp. (4594), Purdue Pharma of Puerto Rico (3925), Avrio Health L.P. (4140), Purdue Pharmaceutical Products L.P. (3902), Purdue Neuroscience Company (4712), Nayatt Cove Lifescience Inc. (7805), Button Land L.P. (7502), Rhodes Associates L.P. (N/A), Paul Land Inc. (7425), Quidnick Land L.P. (7584), Rhodes Pharmaceuticals L.P. (6166), Rhodes Technologies (7143), UDF L.P. (0495), SVC Pharma L.P. (5717) and SVC Pharma Inc. (4014). The Debtors’ corporate headquarters is located at One Stamford Forum, 201 Tresser Boulevard, Stamford, CT 06901.

in the above-captioned chapter 11 cases (collectively, the “**Debtors**”).

2. This certification is made in respect of K&S’ compliance with the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals*, dated November 21, 2019 [Docket No. 529] (the “**Interim Compensation Order**”), the Amended Guidelines for Fees and Disbursements for Professionals in Southern District of New York Bankruptcy Cases Pursuant to General Order M-447 (Jan. 29, 2013) (the “**Local Guidelines**”), and the U.S. Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013 (the “**UST Guidelines**,” and together with the Interim Compensation Order and the Local Guidelines, the “**Fee Guidelines**”).

3. This certification is made in connection with K&S’ fee statement, dated March 16, 2020, for interim compensation and reimbursement of expenses for the period commencing September 16, 2019 through and including January 31, 2020 in accordance with the Fee Guidelines (the “**Fee Statement**”).

4. Pursuant to section B(1) of the Local Guidelines, I certify that: (i) I have read the Fee Statement, (ii) To the best of my knowledge, information, and belief formed after reasonable inquiry, the fees and disbursements sought fall within the Local Guidelines, (iii) The fees and disbursements sought are billed at rates in accordance with those customarily charged by K&S and generally accepted by K&S’ clients, except that K&S has provided the Debtors with certain discounts, as detailed in the Fee Statement, and (iv) In providing a reimbursable service, K&S does not make a profit on that service, whether the service is performed by K&S in-house or through a third party.

5. Pursuant to section B(2) of the Local Guidelines, and as required by the Interim Compensation Order, I certify that K&S has complied with provisions requiring it to provide notice to certain designated parties of a statement of K&S' fees and expenses accrued during the previous months.

6. Pursuant to section B(3) of the Local Guidelines, I certify that this Fee Statement is being served on the parties designated in the Interim Compensation Order.

7. In accordance with Bankruptcy Rule 2016(a) and Bankruptcy Code § 504, I certify that no agreement or understanding exists between K&S and any other entity for the sharing of compensation received or to be received for services rendered in or in connection with the above-captioned cases except as authorized by the Bankruptcy Code, the Bankruptcy Rules, and the Local Rules. All services for which compensation is sought were professional services rendered on behalf of the Debtors and not on behalf of any other person.

8. The following is provided in response to the request for additional information set forth in ¶ C.5 of the UST Guidelines.

Question: Did K&S agree to any variations from, or alternatives to, your standard or customary billing rates, fees, or terms for services pertaining to this engagement that were provided during the Fee Period?

Answer: Yes. K&S agreed as a courtesy to the Debtors to bill at approximately 90% of its market hourly rates in effect when services are rendered. Additionally, K&S agreed to offer additional discounts to the Debtors, including on a sliding scale on fees exceeding certain amounts.

Question: If the fees sought in this Fee Statement as compared to the fees budgeted for the time period covered by this Fee Statement are higher by 10% or more, did K&S discuss the reasons for the variation with the Debtors.

Answer: Not applicable.

Question: Have any of the professionals included in this Fee Statement varied their hourly rate based on the geographic location of these chapter 11 cases?

Answer: No. The hourly rates used by K&S in representing the Debtors are consistent with the rates K&S charges other comparable chapter 11 clients, regardless of the location of the chapter 11 cases.

Question: Does the Fee Statement include time or fees relating to review, revising, or reducing time records or preparing, reviewing or revising invoices? If so, please quantify by hours and fees.

Answer: Yes. The Fee Statement includes time relating to the to the review, revising, or reducing time records or preparing, reviewing or revising invoices. Hours: 14.5; total fees: \$12,788.

Question: Does the Fee Statement include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees.

Answer: No.

Question: If the Fee Statement includes any rate increases since K&S's retention, did the Debtors review and approve of those rate increase in advance? Did the Debtors agree when retaining K&S to accept all future rate increases?

Answer: There were no rate increases during the Fee Period.

Dated: March 16, 2020
New York, New York

/s/ Scott Davidson
Scott Davidson
King & Spalding LLP
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(212) 556-2100
sdavidson@kslaw.com

EXHIBIT B

Category of Timekeeper	Blended Hourly Rate	
	Billed by attorneys in U.S. Offices for the Fee Period	Billed by all timekeepers in this Fee Statement for the Fee Period
Partner	\$1,061.00	\$657.91
Counsel	\$930.00	\$1,046.05
Associate	\$699.00	\$605.52
Discovery Counsel	\$325.00	\$324.92
Privilege Review Attorneys	\$237.00	\$215.00
Paraprofessionals	\$343.00	\$215.00